

CHARLES W. STENHOLM
17TH DISTRICT
TEXAS

2409 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-6605
FAX (202) 225-2234
Home Page <http://www.house.gov/stenholm/>

AGRICULTURE **COMMITTEE**
RANKING MEMBER

Congress of the United States
House of Representatives
Washington, DC 20515

September 15, 2003

The Honorable Bryant L. VanBrakle
Secretary
Federal Maritime Commission
800 North Capitol Street, NW
Washington, D.C. 20573

Dear Secretary VanBrake,

RE: Petition P3-03

I am writing this letter of support on behalf of the United Parcel Service (UPS) request for an exemption from the prohibition on Non-Vessel Operating Common Carriers (NVOCCs) from entering into confidential contracts with their customers.

Since Congress last revised the Ocean Shipping Reform Act (OSRA) in 1998, the state of the U.S. ocean shipping industry has changed dramatically. There has been an unprecedented consolidation among ocean carriers resulting in the loss of major U.S. flagged carriers. In an effort to offer customers a full range of services, these same carriers have created vertically integrated logistics companies that now compete with NVOCCs.

UPS operates the most sophisticated, integrated, intermodal transportation network in the world, which includes air, rail and surface and NVOCC transportation, and is deemed a "carrier" in the surface and air freight industries. Furthermore, UPS makes significant annual capital investments to its asset-based transportation infrastructure. These facts alone set UPS apart from the companies that first raised concerns about the regulatory status of NVOCCs.

I write in support of the UPS petition pending before the Federal Maritime Commission and I remain hopeful the petition will be given utmost consideration based upon the merits of the UPS case. With warm regards, I remain

Sincerely yours,



Charles W. Stenholm
Member of Congress

CWS:jrb

ORIGINAL

CC: 020/0308
DISTRICT OFFICES: 022
P O Box 1237
STAMFORD, TX 79553
(325) 773-3623
FAX (325) 773-2833
1500 INDUSTRIAL BOULEVARD, #101
ABILENE, TX 79602
(325) 673-7221
FAX (325) 676-9547
2121 KNICKERBOCKER ROAD, SUITE A
SAN ANGELO, TX 76904
(325) 942-8881
FAX (325) 942-8808

RECEIVED
03 SEP 23 PM 2:46
FEDERAL MARITIME COMMISSION

01
02
03
04
05